

# PSJ3

# Exhibit 475

**From:** "Oswalt, Anne" <AOswalt@amerisourcebergen.com>  
**Sent:** Mon, 12 May 2014 12:38:43 -0400 (EDT)  
**To:** "Norton, Rita" <RNorton@amerisourcebergen.com>; "Mays, Steve" <SMays@amerisourcebergen.com>; "Zimmerman, Chris" <CZimmerman@amerisourcebergen.com>  
**Subject:** FW: NACDS Policy Council Action Items and Follow Up  
**Attachments:** Warning Signs for Prescribers 4-24-14.docx; Warning Signs for Pharmacists 4-24-14.docx; rxabusesolutions.org-Legislative\_Concepts.pdf

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In advance of our coalition meeting that HDMA is pulling together on controlled substances (currently scheduled for this week), below are some docs that NACDS has circulated on the issue. See #2 and #3 in the email below.

Specifically, the document does not mention DEA. The document seems to push the Drug Abuse Working Group concept (see below) as well as several PDMP recommendations.

#### VIII.

Enhance Oversight of Controlled Substances and Establish Prescription Drug Abuse Working Group  
 — *The Alliance supports bringing greater clarity to the requirements for the safe and secure distribution and dispensing of controlled substances and establishment of a prescription drug abuse working group to report to Congress.*

Clarify existing authorities under the Controlled Substances Act (CSA). Implement a process to identify and mitigate concerns pertaining to the distribution and dispensing of controlled substances.

Ensure that any imposed restrictions regarding the continued distribution of controlled substances are not performed in an overly broad manner such that they adversely affect patient care and access.

Require registrants to obtain criminal background checks and drug tests on each non-licensed health care professional, such as warehouse workers of distributors or manufacturers, who has or will have access to controlled substances. Licensed healthcare professionals such as prescribers and dispensers would be exempted from this section's requirements.

The bill requires the Attorney General to give the registrant an opportunity to submit a corrective action plan that demonstrates how the registrant plans to correct the grounds for revocation or suspension and for the Attorney General to then determine whether, in light of the plan, revocation or suspension proceedings should be discontinued or deferred.

The President to establish a Working Group comprised of governmental sector leaders, industry sector leaders and advocates to review and report to Congress on federal policies to reduce prescription drug diversion and abuse and make recommendations on specific ways to address the epidemic.

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**From:** Reed, Chuck  
**Sent:** Friday, May 09, 2014 4:44 PM  
**To:** Eddy, Julie; Kounelis, Peter; Lea, Beth; Oswalt, Anne; Prieve, Chris  
**Subject:** FW: NACDS Policy Council Action Items and Follow Up

Thank you for your participation on today's Policy Council call. Action items and follow up information are below and attached:

#### Action Items:

1. **Data Needs for State Medicaid Analyses:** Please send us information that you can share on medication pricing in the state Medicaid programs that would help us ensure that our analyses of the impact of moving to AMP-based FULs are as accurate as possible.
2. **NABP Stakeholder Documents:** Please review the attached draft "Red Flags" and "Challenges" documents by COB May 30, and provide comments/edits back to me. There are two "Red Flags" documents and one "Challenges" document. We will combine Policy Council comments and edits with those from the NACDS Pharmacy Operations Committee.
3. **Recommendations from the Alliance to Prevent the Abuse of Medicines:** Please review the attached "legislative concepts" to address prescription drug abuse issued by the Alliance to Prevent the Abuse of Medicines, and provide comments back to me by COB, May 23.
4. **The June Policy Council Meeting** will be held on **Thursday, June 12<sup>th</sup>**. To register for the meeting and make your hotel reservations please click [here](#); at the bottom of the registration form there is an additional link for the hotel reservation. Reservations must be made by **May 14<sup>th</sup>** to ensure the discounted rate. If you have any questions please contact Arianna Daoulas via email at [adaoulas@nacds.org](mailto:adaoulas@nacds.org) or by phone at (703) 837-4246.

#### Important Information:

5. **Federal Legislation: MTM TRICARE Pilot:** Policy Council members raised concerns about the definition of the term "qualified pharmacist." NACDS will contact the bill sponsors and follow up with the Policy Council about our concerns that any pharmacist should be able to perform MTM services, not just specifically "qualified" pharmacists.
6. **Federal Legislation: Part D Preferred Networks in Medically Underserved Areas:** Based on Policy Council feedback, NACDS will support this legislation.
7. **As mentioned on the call, attached are the CMS Medicare Part D MTM Specs for Contract Year 2015.**
8. **Updated Tracking Chart for State Responses to CMS' Expectations for the Future of Medicaid Pharmacy Reimbursement:** Please find attached an updated tracking chart.

Below is a summary of the updates. If you have questions, please do not hesitate to contact Sandra Guckian ([sguckian@nacds.org](mailto:sguckian@nacds.org)).

- CT: The budget and implementation bill passed the House and Senate with language giving the Administration the ability to increase the dispensing fee pursuant to the covered outpatient drug rule being published as final. We have an email from the Administration stating they have the intent to do a study or other feasibility choice (regional rate) once the final regulations is published. We will keep close contact with the Administration through the summer and fall.
- MA: NACDS is working with the Massachusetts Chain Pharmacy Council on proposed language for the FY 2015 budget that would require MassHealth (Medicaid) to conduct a cost of dispensing study and to recommend an increase to the dispensing fee prior to the effective date of the adoption of the AMP-based FULs.
- NJ: In a meeting with Valerie Harr, Director of the Division of Medical Assistance and Health Services (DMAHS), pharmacy stakeholders learned over 90 percent of the Medicaid population is in managed care. Of the remaining 100,000 lives, most will be transitioned to managed care leaving only a small number (estimated 20,000) in fee-for-service. If required to do so, the state will use the three-month rolling average AMP-based FULs. Eventually, the Division will implement NADAC if required to do so by CMS. Additionally, there are no plans to review the dispensing fee until they are required to.
- OH: In a meeting with Medicaid Director John McCarthy, he stated a desire to move to a rational reimbursement methodology for product. Any changes in reimbursement must be budget neutral. The state is in the process of preparing to conduct the mandatory cost of dispensing study as required by statute with results anticipated in October 2014.
- TX: In the April meeting with the Health and Human Services Commission, pharmacy stakeholders were told Myers and Stauffer was analyzing data to make a recommendation for best reimbursement methodology from among all options including NADAC. The Commission announced plans to finalize a reimbursement formula and submit a SPA by the end of April and the new reimbursement formula will be implemented on September 1, 2014, the start of the new fiscal year. State savings are estimated to be a little less than \$16 million. We are awaiting information from the Commission about the status of their plan.
- VA: The Department of Medical Assistance Services (DMAS) anticipated a final report of the cost of dispensing study on May 19. However, NACDS has recently learned that the timeline is a few weeks behind schedule so it may be mid-June before the results are available.

Please let us know by May 14 if you have any comments or questions about this Policy Council call recap.

Have a great Mother’s Day weekend, Kevin

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